Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

Message Text

LIMITED OFFICIAL USE

PAGE 01 OECD P 14673 01 OF 03 062015Z

66
ACTION EUR-12

INFO OCT-01 ISO-00 SSO-00 INRE-00 AGR-05 AID-05 CEA-01

CIAE-00 COME-00 EB-07 EA-06 FRB-03 INR-07 IO-10

NEA-10 NSAE-00 OPIC-03 SP-02 TRSE-00 CIEP-01 LAB-04

SIL-01 OMB-01 EURE-00 /079 W
---------- 082028
O 062000Z JUN 75
FM USMISSION OECD PARIS
TO SECSTATE WASH DC IMMEDIATE 7432

LIMITED OFFICIAL USE SECTION 01 OF 03 OECD PARIS 14673

E.O. 11652: N/A
TAGS: EGEN, E, EAID, OECD
SUBJECT: ISSUES FOR DISCUSSION BY NEW AD HOC HIGH-LEVEL GROUP ON RELATIONS WITH LDC'S, JUNE 10

REF: CE(75)9 DATED 6/6/75

1. SUMMARY: THE FOLLOWING IS PRECIS OF REFDOC ISSUED TO GUIDE DISCUSSION AT FIRST MEETING OF SUBJECT GROUP. GORDON FRASER, USDA (HOME TELEPHONE: 703-979-1596) CARRYING COPY OF COMPLETE TEXT TO WASHINGTON JUNE 7. END SUMMARY.

2. PAPER IS DIVIDED INTO TWO MAIN SECTIONS, (I) ORGANIZATION OF WORK AND (II) POSSIBLE AREAS FOR CONSTRUCTIVE APPROACHES. UNDER (I) SECRETARIAT QUOTES PRINCIPAL TASK OF GROUP IS THAT OF IDENTIFYING "WHAT NEW AND OTHER CONSTRUCTIVE APPROACHES COULD BE ADOPTED ON SELECTED SUBSTANTIVE ISSUES AND TO GIVE SUPPORT AND NEW IMPETUS TO NEGOTIATIONS IN OTHER BODIES WORKING ON SPECIFIC PROBLEMS."

3. NATURE/SPECIFICITY OF APPROACHES - SECRETARIAT
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OECD P 14673 01 OF 03 062015Z

SUGGESTS: "IT MAY ALSO BE USEFUL TO HAVE A PRELIMINARY

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

DISCUSSION ON THE NATURE OF THE 'CONSTRUCTIVE APPROACHES' THAT COULD BE ADOPTED. SOME CLARIFICATION WOULD BE DESIRABLE ON THE DEGREE OF SPECIFICITY IN THE DEFINITION OF OBJECTIVES AND POLICIES THE GROUP SHOULD REALISTICALLY AIM AT. IT CANNOT BE THE TASK OF THE GROUP OR THE OECD AS SUCH EITHER TO DUPLICATE THE WORK OF OTHER SPECIALIST BODIES OR TO ACT AS A STEERING BOARD. THE GROUP SHOULD, HOWEVER, IN THE LIGHT OF THE COMPREHENSIVE VIEW IT HAS BEEN ASKED TO TAKE AND UNDER THE FRESH POLITICAL IMPETUS IMPARTED BY THE RECENT OECD MINISTERIAL COUNCIL, ATTEMPT TO (I) INDICATE THE AREAS WHERE PRESENT WORK AND NEGOTIATIONS HOLD OUT GOOD PROMISE OF PROGRESS; (II) SELECT SUBJECTS WHICH, IN ITS VIEW, DESERVE HIGHER PRIORITY AND A MORE FORTHCOMING ATTITUDE BY MEMBER GOVERNMENTS, AND (III) PERHAPS OUTLINE THE BROAD ORIENTATION OF POSSIBLE NEW APPROACHES IN PRIORITY AREAS..."

4. RELATION WITH OTHER OECD BODIES - PAPER POINTS OUT THAT COUNCIL RESOLUTION SPECIFIES THAT WORK WILL BE CARRIED OUT WITH ASSISTANCE OF SUCH RELEVANT BODIES AS DAC, TRADE COMMITTEE, AND DEVELOPMENT CENTER, AND SUGGESTS THAT WORK PRIORITIES OF THE OTHER BODIES MAY BE AFFECTED BY CONCLUSIONS OF GROUP.

5. TIMING - THE GROUP WILL BE EXPECTED TO CONTRIBUTE TO A "SUCCESSFUL" OUTCOME OF THE 7TH SPECIAL SESSION OF THE UNGA WHICH IS BEING PRECEDED BY THE PREPARATORY COMMITTEE MEETING (16TH - 27TH JUNE IN NEW YORK) AND THE ECOSOC (2ND JULY - 1ST AUGUST). GOVERNMENTS HAVE ALSO EXPRESSED THE DESIRABILITY OF AN EARLY RESUMPTION OF THE DIALOGUE BETWEEN OIL PRODUCERS AND CONSUMERS BROADENED TO INCLUDE THE GENERAL ISSUE OF THE RELATIONSHIP BETWEEN DEVELOPING AND DEVELOPED COUNTRIES. THE GROUP WILL, THEREFORE, HAVE TO CONSIDER WHAT CONTRIBUTION IT CAN MAKE TOWARDS ANY POSSIBLE NEW POSITIVE POSITIONS THAT MIGHT BE ADOPTED BY MEMBER COUNTRIES WITHIN THE NEXT FEW MONTHS.

6. THE REPORT ON THE RECENTLY CONCLUDED (JUNE 3-4) AD HOC MEETING ON DEVELOPMENT COOPERATION (CES/UN(75)11) LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 OECD P 14673 01 OF 03 062015Z

WILL BE AT DISPOSAL OF GROUP AND DISCUSSION AT UP-COMING DAC HIGH-LEVEL MEETING (JUNE 30) ON 7TH SPECIAL SESSION ISSUES SHOULD BE IMPORTANT ELEMENT FOR WORK OF GROUP.

7. SUBJECT GROUP WILL MEET AGAIN DAY IMMEDIATELY PRECEDING XCSS (JULY 10-11).

8. PART II. POSSIBLE AREAS FOR CONSTRUCTIVE APPROACHES.

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

THIS SECTION BEGINS BY SUMMARY EMPHASIS AREAS OF OECD DECLARATION ADOPTED BY MINISTERS AND PROPOSES FIVE BROAD AREAS FOR A FIRST REVIEW BY GROUP AS FOLLOWS: (A) COMMODITIES; (B) FOOD AND AGRICULTURE; (C) ACCESS TO MARKETS; (D) TRANSFER OF RESOURCES; (E) SCIENTIFIC AND TECHNOLOGICAL COOPERATION.

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

66
ACTION EUR-12

INFO OCT-01 ISO-00 SSO-00 INRE-00 AGR-05 AID-05 CEA-01

CIAE-00 COME-00 EB-07 EA-06 FRB-03 INR-07 IO-10

NEA-10 NSAE-00 OPIC-03 SP-02 TRSE-00 CIEP-01 LAB-04

SIL-01 OMB-01 EURE-00 /079 W
---------- 082119
O 062000Z JUN 75
FM USMISSION OECD PARIS
TO SECSTATE WASH DC IMMEDIATE 7433

LIMITED OFFICIAL USE SECTION 02 OF 03 OECD PARIS 14673

9. COMMODITIES - PAPER INDICATES THAT THIS ISSUE WILL BE HANDLED PRIMARILY IN HLG. IT ADDS THAT: "THERE ARE, HOWEVER, A NUMBER OF MATTERS WHICH MAY REQUIRE FURTHER CONSIDERATION IN THE MORE GENERAL CONTEXT OF RELATIONS WITH DEVELOPING COUNTRIES, ESPECIALLY ISSUES PERTAINING TO INVESTMENT AND THE TRANSFER OF TECHNOLOGY, FINANCING PROBLEMS BOTH AS REGARDS BUFFER STOCKS AND INTERNATIONAL MECHANISMS TO STABILIZE EXPORT EARNINGS, MEASURES FOR PROCESSING AND DIVERSIFICATION, AND MORE GENERALLY, THE RELATIONS BETWEEN COMMODITY POLICIES AND OTHER TRADE AND AID MEASURES."

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

10. FOOD AND AGRICULTURE - "ADEQUATE FOOD SUPPLIES ARE A MAJOR CONCERN FOR THE INTERNATIONAL COMMUNITY SHARED BY ALL COUNTRIES. IMPORTANT NEW POLICY OBJECTIVES HAVE BEEN SET AND NEW INSTITUTIONAL ARRANGEMENTS ARE BEING MADE AS A RESULT OF THE WORLD FOOD CONFERENCE.

"CERTAIN ASPECTS OF POLICIES FOR IMPROVED FOOD SECURITY WILL BE DEALT WITH AS PART OF THE WORK ON COMMODITIES, IN PARTICULAR IN RELATION TO STOCK POLICIES.
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

"THE OTHER MAIN ASPECTS RELATE TO THE ROLE OF DONOR COUNTRIES IN STRENGTHENING FOOD PRODUCTION AND RURAL DEVELOPMENT IN DEVELOPING COUNTRIES, IN HELPING THEM TO CREATE AND MAINTAIN A SAFE LEVEL OF NATIONAL FOOD GRAIN RESERVES AND RELATED MEASURES TO INCREASE FOOD SECURITY AND THE ROLE OF FOOD AID.

"WITHIN THE OECD, THESE PROBLEMS ARE UNDER CONSIDERATION BY THE DAC AND THE COMMITTE FOR AGRICULTURE. THEY WILL BE THE SUBJECT OF DISCUSSION AT THE FORTHCOMING HIGH-LEVEL MEETING OF THE DAC.

"AMONG THE DEVELOPMENT COOPERATION MEASURES CURRENTLY UNDER DISCUSSION, THE INITIATIVES TO EXPAND AND IMPROVE THE ASSISTANCE TO AGRICULTURE DESERVE HIGH PRIORITY. THE GROUP MAY WISH TO EXAMINE HOW IT COULD SUPPORT THESE EFFORTS."

11. ACCESS TO MARKETS - "A RANGE OF EXPORTS OF DEVELOPING COUNTRIES IS STILL THE SUBJECT OF RESTRICTIONS AND FURTHER PROGRESS IN TRADE LIBERALIZATION FOR PRODUCTS OF INTEREST TO DEVELOPING COUNTRIES IS REQUIRED INCLUDING FURTHER IMPROVEMENT OF THE GENERAL SYSTEM OF PREFERENCES, THROUGH ENLARGED COVERAGE OF AGRICULTURAL AND INDUSTRIAL PRODUCTS OF EXPORT INTEREST TO DEVELOPING COUNTRIES AND LONGER DURABILITY OF THE SYSTEM, AND ALLEVIATION OF NON-TARIFF BARRIERS."

12. CONCERNING THE MULTILATERAL TRADE REGOTIATIONS, THE PAPER SUGGESTS THAT AT THIS STAGE THE QUESTION IS WHAT FURTHER COMMITMENTS MEMBER COUNTRIES CAN MAKE GOING BEYOND THE TOKYO DECLARATION.

13. DEVELOPING COUNTRIES THEMSELVES IMPOSE SUBSTANTIAL IMPORT BARRIERS AND USE VARIOUS DEVICES TO MAKE THEIR EXPORTS MORE COMPETITIVE. IT HAS BEEN SUGGESTED THAT THEY MIGHT GAIN MORE CONCESSIONS IN NEGOTIATIONS BY PARTICIPATING AND BARGAINING ACTIVELY RATHER THAN RELYING PRIMARILY ON THE PRINCIPLES OF PREFERENTIAL MARKET ACCESS AND NON-RECIPROCITY. THE QUESTION HAS ALSO BEEN RAISED WHETHER FURTHER TRADE ACTION BY INDUSTRIALIZED COUNTRIES IN FAVOR OF DEVELOPING COUNTRIES

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

COULD BE FACILITATED IF THERE WERE SOME DIFFERENTIATION,
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 OECD P 14673 02 OF 03 062023Z

FOR INSTANCE AS REGARDS SAFEGUARD CLAUSES AND POSSIBLE COUNTERPART COMMITMENTS, ACCORDING TO THE STAGE OF DEVELOPMENT OF BENEFICIARY COUNTRIES.

14. "THE GROUP MIGHT ALSO EXPLORE WHAT PRACTICAL FOLLOW-UP COULD BE GIVEN TO THE PROPOSALS PUT FORWARD IN THE DECLARATION AND PLAN OF ACTION ON INDUSTRIAL DEVELOPMENT AND COOPERATION, RECENTLY ADOPTED BY MAJORITY VOTE AT THE SECOND GENERAL CONFERENCE OF UNIDO."

15. RECENT STUDIES BY THE DEVELOPMENT CENTER ARE RELEVANT TO PROBLEM AND HAVE CONCLUDED THAT: "THE PURSUIT OF AN IMPROVED INTERNATIONAL DIVISION OF LABOR IS NOT A MATTER MERELY OF TRADE POLICY AND TRADE-FOCUSED ADJUSTMENT MEASURES. DEVELOPED COUNTRIES MUST DIRECT THEIR ATTENTION TO THE WHOLE COMPLEX OF STRUCTURAL, REGIONAL, AND EMPLOYMENT POLICIES IN THEIR COUNTRIES. IF THESE POLICIES ARE TO PROMOTE RATHER THAN THWART THE EXPANSION OF EXPORTS FROM DEVELOPING COUNTRIES THEY MUST NOT REMAIN POLITICALLY AND ADMINISTRATIVELY ISOLATED FROM TRADE POLICY."

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 OECD P 14673 03 OF 03 062019Z

66
ACTION EUR-12

INFO OCT-01 ISO-00 SSO-00 INRE-00 AGR-05 AID-05 CEA-01

CIAE-00 COME-00 EB-07 EA-06 FRB-03 INR-07 IO-10

NEA-10 NSAE-00 OPIC-03 SP-02 TRSE-00 CIEP-01 LAB-04

SIL-01 OMB-01 EURE-00 /079 W
---------- 082019

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

O 062000Z JUN 75
FM USMISSION OECD PARIS
TO SECSTATE WASH DC IMMEDIATE 7434

LIMITED OFFICIAL USE SECTION 03 OF 03 OECD PARIS 14673

16. TRANSFER OF RESOURCES - "AS WAS POINTED OUT AT THE COUNCIL AT MINISTERIAL LEVEL, AID REMAINS THE MOST EFFECTIVE WAY OF TRANSFERRING RESOURCES TO DEVELOPING COUNTRIES FROM THE POINT OF VIEW OF EQUITY AND COMPATIBILITY WITH THE MARKET MECHANISM AND EFFICIENT RESOURCE USE. THE PROBLEMS OF THE MOST-SERIOUSLY-AFFECTED, HARD-CORE UNDER-DEVELOPED COUNTRIES AND CERTAIN PARTICULARLY DIFFICULT SECTORAL DEVELOPMENT PROBLEMS, SUCH AS IN AGRICULTURAL AND THE RURAL AREAS, CANNOT BE SOLVED WITHOUT SUBSTANTIAL AID PROGRAMS INVOLVING NOT ONLY A TRANSFER OF RESOURCES BUT ALSO OF SPECIALLY ADAPTED TECHNOLOGY. A MAJOR EFFORT, THEREFORE, NEEDS TO BE MADE TO DIRECT MORE AID TO THE POORER COUNTRIES BY INCREASING TOTAL AID LEVELS AND BY ADJUSTING THE GEOGRAPHICAL DISTRIBUTION."

17. PAPER ALSO SUGGESTS THAT EFFECTIVE IMPLEMENTATION OF THE FOLLOWING INITIATIVES WOULD BE CONSTRUCTIVE: (I) IMF OIL FACILITY; (II) WORLD BANK THIRD WINDOW; (III) SPECIAL FUND FOR MSA'S; (IV) THE INTERNATIONAL FUND FOR
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OECD P 14673 03 OF 03 062019Z

AGRICULTURAL DEVELOPMENT; (V) IMPROVEMENTS IN IMF FACILITIES FOR COMPENSATING FINANCING AND ASSISTING BUFFER-STOCKS; AND (VI) FIFTH IDA REPLENISHMENT.

18. DEVELOPMENT ASSISTANCE - "IT WOULD INDEED BE USEFUL FOR THE GENERAL REVIEW OF POSSIBLE CONSTRUCTIVE APPROACHES TO OBTAIN FROM THE DAC A REALISTIC ASSESSMENT OF THE PROSPECTS FOR INCREASING FUTURE AID LEVELS AND THE ACTION REQUIRED TO ACHIEVE AN IMPROVED PERFORMANCE. IT IS CLEAR, HOWEVER, THAT A SIGNIFICANT IMPROVEMENT IN AID LEVELS WOULD REQUIRE A REVISION OF PRIORITIES BY THOSE DONOR COUNTRIES WHICH HAVE LAGGED BEHIND IN RECENT YEARS.

19. THERE ARE DIFFERENT VIEWS ABOUT THE SCOPE FOR "NON-CONVENTIONAL" AND MORE AUTOMATIC FORMS OF AID, SUCH AS THE "LINK" BETWEEN SDR'S AND DEVELOPMENT ASSISTANCE OR THE ALLEVIATION OF DEBT BURDENS. THE DAC MIGHT, HOWEVER, EXPLORE POSSIBLE ADAPTATIONS IN AID PROGRAMS WHICH WOULD

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

GO TOWARDS MEETING THE DESIRE OF DEVELOPING COUNTRIES
FOR MORE ASSURED AID LEVELS AND COOPERATIVE ARRANGEMENTS
BETWEEN DONORS AND RECIPIENTS PERMITTING EFFECTIVE
LONG-TERM PLANNING OF INVESTMENT AND DEVELOPMENT PRO-
GRAMS."

20. SCIENTIFIC AND TECHNOLOGICAL COOPERATION - PROPOSALS
BY DEVELOPING COUNTRIES FOR AN INTERNATIONAL "CODE OF
CONDUCT FOR THE TRANSFER OF TECHNOLOGY ON FAVORABLE
TERMS AND CONDITIONS, REVISIONS OF PATENT SYSTEMS AND
SIMILAR SUGGESTIONS RAISE CONSIDERABLE PROBLEMS. THERE
IS ALSO A GENERAL RECOGNITION OF THE DESIRABILITY OF
EASING ACCESS TO TECHNOLOGY NOT NECESSARILY LINKED TO
DIRECT FOREIGN INVESTMENT. IN THESE FIELDS THE POSSIBLE
SCOPE FOR GOVERNMENT ACTION IS LIMITED AND NEEDS FURTHER
CLARIFICATION. SUGGESTIONS MADE FOR EXPLORING NEW WAYS
OF COMBINING WORLD BANK AND OTHER LOAN FINANCING FOR
RESOURCE INVESTMENTS WITH PRIVATE MANAGEMENT, SKILLS,
TECHNOLOGY AND CAPITAL ARE ALSO RELEVANT IN THIS CON-
NECTION. WORK IN THE ORGANIZATION, MAINLY BY THE DAC
AND THE DEVELOPMENT CENTER, HAS SO FAR BEEN LARGELY
CONCENTRATED ON THE PROBLEMS OF TECHNICAL ASSISTANCE AND
RESEARCH. IT MAY BE USEFUL TO IDENTIFY ISSUES ON WHICH
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

WORK BY THE COMPETENT BODIES OF THE OECD COULD BE
STRENGTHENED."
KATZ

LIMITED OFFICIAL USE

NNN

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, LESS DEVELOPED COUNTRIES, MEETINGS, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 06 JUN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975OECDP14673
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750198-0978
From: OECD PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750674/aaaacpgi.tel
Line Count: 363
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 7
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 CE(7, 75 DATED 6/6/75
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 09 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 APR 2003 by ElyME>; APPROVED <22 SEP 2003 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ISSUES FOR DISCUSSION BY NEW AD HOC HIGH-LEVEL GROUP ON RELATIONS WITH LDC'S, JUNE 10
TAGS: EGEN, EAID, OECD
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006